

109TH CONGRESS  
1ST SESSION

# S. 1204

To encourage students to pursue graduate education and to assist students  
in affording graduate education.

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IN THE SENATE OF THE UNITED STATES

JUNE 8, 2005

Mr. DODD (for himself, Mr. DURBIN, and Ms. STABENOW) introduced the  
following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To encourage students to pursue graduate education and  
to assist students in affording graduate education.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Getting Results for  
5       Advanced Degrees Act”.

6       **SEC. 2. FINDINGS.**

7       Congress makes the following findings:

8               (1) From 1976 to 2000, graduate enrollment in  
9       the United States increased 38 percent. In the fall

1 of 2000, there were 1,850,000 graduate students en-  
2 rolled in the United States.

3 (2) In 2003, 84 percent of graduate students in  
4 the United States were citizens of the United States  
5 or resident aliens, and 16 percent were temporary  
6 residents who were foreign or international students.

7 (3) In a 2002 borrower's survey, the average  
8 debt reported by graduate students was \$45,900.

9 (4) In 1999–2000, 60 percent of all graduate  
10 and first-professional students, and 82 percent of  
11 those enrolled full-time and full-year, received some  
12 type of financial aid, including grants, loans,  
13 assistantships, or work study. The average amount  
14 of aid received by aided full-time, full-year students  
15 was approximately \$19,500 per year.

16 (5) Annual aid in the form of grants to full-  
17 time, full-year recipients was awarded in larger aver-  
18 age amounts to doctoral students (\$13,400) than to  
19 either master's students (\$7,600) or first-profes-  
20 sional students (\$6,900). First-professional students  
21 took out larger loans on average overall (\$20,100)  
22 than did their counterparts at the master's level  
23 (\$14,800) and doctoral level (\$14,100).

24 (6) Median annual earnings in 2003 increased  
25 with educational attainment. There was a substan-

1        tial earnings differential from the highest to the low-  
2        est levels of attainment:

3                (A) The median earnings of workers who  
4                had a master's degree were almost twice those  
5                of high school graduates and \$10,000 more  
6                than those of individuals with a bachelor's de-  
7                gree.

8                (B) The median earnings of workers who  
9                had a doctoral degree were 2½ times those of  
10              high school graduates, \$30,000 more than those  
11              of individuals with a bachelor's degree, and  
12              \$20,000 more than those of individuals with a  
13              master's degree.

14              (C) The median earnings of workers with  
15              a professional degree were more than 3 times  
16              those of high school graduates, almost double  
17              those of individuals with a bachelor's degree,  
18              \$35,000 more than those of individuals with a  
19              master's degree, and \$15,000 more than those  
20              of individuals with a doctoral degree.

21    **SEC. 3. JACOB K. JAVITS FELLOWSHIP PROGRAM.**

22              (a) CRITERIA FOR AWARDS.—Section 701(a) of the  
23    Higher Education Act of 1965 (20 U.S.C. 1134(a)) is  
24    amended by striking “, financial need,”.

1       (b) QUALIFICATIONS OF BOARD.—Section 702(a) of  
 2 the Higher Education Act of 1965 (20 U.S.C. 1134a(a))  
 3 is amended by striking paragraph (1) and inserting the  
 4 following:

5           “(1) APPOINTMENT.—

6                   “(A) IN GENERAL.—The Secretary shall  
 7 appoint a Jacob K. Javits Fellows Program  
 8 Fellowship Board (referred to in this subpart as  
 9 the ‘Board’) consisting of 9 individuals rep-  
 10 resentative of both public and private institu-  
 11 tions of higher education who are especially  
 12 qualified to serve on the Board.

13                   “(B) QUALIFICATIONS.—In making ap-  
 14 pointments under subparagraph (A), the Sec-  
 15 retary shall—

16                           “(i) give due consideration to the ap-  
 17 pointment of individuals who are highly re-  
 18 spected in the academic community;

19                           “(ii) assure that individuals appointed  
 20 to the Board are broadly representative of  
 21 a range of disciplines in graduate edu-  
 22 cation in arts, humanities, and social  
 23 sciences;

1 “(iii) appoint members to represent  
 2 the various geographic regions of the  
 3 United States; and

4 “(iv) include representatives from mi-  
 5 nority serving institutions.”.

6 (c) AMOUNT OF STIPENDS.—Section 703(a) of the  
 7 Higher Education Act of 1965 (20 U.S.C. 1134b(a)) is  
 8 amended by striking “graduate fellowships,” and all that  
 9 follows through the period and inserting “Graduate Re-  
 10 search Fellowship Program.”.

11 (d) AUTHORIZATION OF APPROPRIATIONS.—Section  
 12 705 of the Higher Education Act of 1965 (20 U.S.C.  
 13 1134d) is amended by striking “\$30,000,000 for fiscal  
 14 year 1999” and inserting “\$35,000,000 for fiscal year  
 15 2006”.

16 **SEC. 4. GRADUATE ASSISTANCE IN AREAS OF NATIONAL**  
 17 **NEED.**

18 (a) APPLICATION CONTENTS.—Section 713(b)(5) of  
 19 the Higher Education Act of 1965 (20 U.S.C.  
 20 1135b(b)(5)) is amended—

21 (1) by striking subparagraph (A); and

22 (2) by redesignating subparagraphs (B) and  
 23 (C) as subparagraphs (A) and (B), respectively.

24 (b) AMOUNT OF STIPENDS.—Section 714(b) of the  
 25 Higher Education Act of 1965 (20 U.S.C. 1135c(b)) is

1 amended by striking “graduate fellowships,” and all that  
 2 follows through the period and inserting “Graduate Re-  
 3 search Fellowship Program.”.

4 (c) AUTHORIZATION OF APPROPRIATIONS.—Section  
 5 716 of the Higher Education Act of 1965 (20 U.S.C.  
 6 1135e) is amended by striking “\$35,000,000 for fiscal  
 7 year 1999” and inserting “\$50,000,000 for fiscal year  
 8 2006”.

9 (d) TECHNICAL AMENDMENTS.—Section 714(c) of  
 10 the Higher Education Act of 1965 (20 U.S.C. 1135c(c))  
 11 is amended—

12 (1) by striking “716(a)” and inserting  
 13 “715(a)”; and

14 (2) by striking “714(b)(2)” and inserting  
 15 “713(b)(2)”.

16 **SEC. 5. PATSY T. MINK FELLOWSHIP PROGRAM.**

17 Part A of title VII of the Higher Education Act of  
 18 1965 (20 U.S.C. 1134 et seq.) is amended—

19 (1) by redesignating subpart 4 as subpart 5;

20 (2) by redesignating section 731 as section 740;

21 (3) in section 740 (as redesignated by para-  
 22 graph (2))—

23 (A) in the section heading, by striking

24 “**AND 3.**” and inserting “**3, AND 4.**”;

1 (B) in subsection (a), by striking “and 3”  
 2 and inserting “3, and 4”;

3 (C) in subsection (b), by striking “and 3”  
 4 and inserting “3, and 4”; and

5 (D) in subsection (d), by striking “or 3”  
 6 and inserting “3, or 4”; and

7 (4) by inserting after subpart 3 the following:

8 **“Subpart 4—Patsy T. Mink Fellowship Program**

9 **“SEC. 731. PURPOSE AND DESIGNATION.**

10 “(a) PURPOSE.—It is the purpose of this subpart to  
 11 provide, through eligible institutions, a program of fellow-  
 12 ship awards to assist highly qualified minorities and  
 13 women to acquire the doctoral degree, or highest possible  
 14 degree available, in academic areas in which such individ-  
 15 uals are underrepresented for the purpose of enabling such  
 16 individuals to enter the higher education professoriate.

17 “(b) DESIGNATION.—Each recipient of a fellowship  
 18 award from an eligible institution receiving a grant under  
 19 this subpart shall be known as a ‘Patsy T. Mink Graduate  
 20 Fellow’.

21 **“SEC. 732. DEFINITION OF ELIGIBLE INSTITUTION.**

22 “In this subpart, the term ‘eligible institution’ means  
 23 an institution of higher education, or a consortium of such  
 24 institutions, that offers a program of postbaccalaureate  
 25 study leading to a graduate degree.

1 **“SEC. 733. PROGRAM AUTHORIZED.**

2 “(a) GRANTS BY SECRETARY.—

3 “(1) IN GENERAL.—The Secretary shall award  
4 grants to eligible institutions to enable such institu-  
5 tions to make fellowship awards to individuals in ac-  
6 cordance with the provisions of this subpart.

7 “(2) PRIORITY CONSIDERATION.—In awarding  
8 grants under this subpart, the Secretary shall con-  
9 sider the eligible institution’s prior experience in  
10 producing doctoral degree, or highest possible degree  
11 available, holders who are minorities and women,  
12 and shall give priority consideration in making  
13 grants under this subpart to those eligible institu-  
14 tions with a demonstrated record of producing mi-  
15 norities and women who have earned such degrees.

16 “(b) APPLICATIONS.—

17 “(1) IN GENERAL.—An eligible institution that  
18 desires a grant under this subpart shall submit an  
19 application to the Secretary at such time, in such  
20 manner, and containing such information as the Sec-  
21 retary may require.

22 “(2) APPLICATIONS MADE ON BEHALF.—

23 “(A) IN GENERAL.—The following entities  
24 may submit an application on behalf of an eligi-  
25 ble institution:



1 “(i) A graduate school or department  
2 of such institution.

3 “(ii) A graduate school or department  
4 of such institution in collaboration with an  
5 undergraduate college or university of such  
6 institution.

7 “(iii) An organizational unit within  
8 such institution that offers a program of  
9 postbaccalaureate study leading to a grad-  
10 uate degree, including an interdisciplinary  
11 or an interdepartmental program.

12 “(iv) A nonprofit organization with a  
13 demonstrated record of helping minorities  
14 and women earn postbaccalaureate de-  
15 grees.

16 “(B) NONPROFIT ORGANIZATIONS.—Noth-  
17 ing in this paragraph shall be construed to per-  
18 mit the Secretary to award a grant under this  
19 subpart to an entity other than an eligible insti-  
20 tution.

21 “(c) SELECTION OF APPLICATIONS.—In awarding  
22 grants under subsection (a), the Secretary shall—

23 “(1) take into account—

24 “(A) the number and distribution of mi-  
25 nority and female faculty nationally;

1           “(B) the current and projected need for  
2           highly trained individuals in all areas of the  
3           higher education professoriate; and

4           “(C) the present and projected need for  
5           highly trained individuals in academic career  
6           fields in which minorities and women are under-  
7           represented in the higher education professo-  
8           riate; and

9           “(2) consider the need to prepare a large num-  
10          ber of minorities and women generally in academic  
11          career fields of high national priority, especially in  
12          areas in which such individuals are traditionally  
13          underrepresented in college and university faculties.

14          “(d) DISTRIBUTION AND AMOUNTS OF GRANTS.—

15                 “(1) EQUITABLE DISTRIBUTION.—In awarding  
16          grants under this subpart, the Secretary shall, to the  
17          maximum extent feasible, ensure an equitable geo-  
18          graphic distribution of awards and an equitable dis-  
19          tribution among public and independent eligible in-  
20          stitutions that apply for grants under this subpart  
21          and that demonstrate an ability to achieve the pur-  
22          pose of this subpart.

23                 “(2) SPECIAL RULE.—To the maximum extent  
24          practicable, the Secretary shall use not less than 50  
25          percent of the amount appropriated pursuant to sec-

1       tion 736 to award grants to eligible institutions  
2       that—

3               “(A) are eligible for assistance under title  
4               III or title V; or

5               “(B) have formed a consortium that in-  
6               cludes both non-minority serving institutions  
7               and minority serving institutions.

8               “(3) ALLOCATION.—In awarding grants under  
9       this subpart, the Secretary shall allocate appropriate  
10      funds to those eligible institutions whose applications  
11      indicate an ability to significantly increase the num-  
12      bers of minorities and women entering the higher  
13      education professoriate and that commit institu-  
14      tional resources to the attainment of the purpose of  
15      this subpart.

16              “(4) NUMBER OF FELLOWSHIP AWARDS.—An  
17      eligible institution that receives a grant under this  
18      subpart shall make not less than 15 fellowship  
19      awards.

20              “(5) REALLOTMENT.—If the Secretary deter-  
21      mines that an eligible institution awarded a grant  
22      under this subpart is unable to use all of the grant  
23      funds awarded to the institution, the Secretary shall  
24      reallot, on such date during each fiscal year as the  
25      Secretary may fix, the unused funds to other eligible

1 institutions that demonstrate that such institutions  
2 can use any reallocated grant funds to make fellow-  
3 ship awards to individuals under this subpart.

4 “(e) INSTITUTIONAL ALLOWANCE.—

5 “(1) IN GENERAL.—

6 “(A) NUMBER OF ALLOWANCES.—In  
7 awarding grants under this subpart, the Sec-  
8 retary shall pay to each eligible institution  
9 awarded a grant, for each individual awarded a  
10 fellowship by such institution under this sub-  
11 part, an institutional allowance.

12 “(B) AMOUNT.—Except as provided in  
13 paragraph (3), an institutional allowance shall  
14 be in an amount equal to, for academic year  
15 2006–2007 and succeeding academic years, the  
16 amount of institutional allowance made to an  
17 institution of higher education under section  
18 715 for such academic year.

19 “(2) USE OF FUNDS.—Institutional allowances  
20 may be expended in the discretion of the eligible in-  
21 stitution and may be used to provide, except as pro-  
22 hibited under paragraph (4), academic support and  
23 career transition services for individuals awarded fel-  
24 lowships by such institution.

1           “(3) REDUCTION.—The institutional allowance  
 2       paid under paragraph (1) shall be reduced by the  
 3       amount the eligible institution charges and collects  
 4       from a fellowship recipient for tuition and other ex-  
 5       penses as part of the recipient’s instructional pro-  
 6       gram.

7           “(4) USE FOR OVERHEAD PROHIBITED.—Funds  
 8       made available under this subpart may not be used  
 9       for general operational overhead of the academic de-  
 10      partment or institution receiving funds under this  
 11      subpart.

12   **“SEC. 734. FELLOWSHIP RECIPIENTS.**

13       “(a) AUTHORIZATION.—An eligible institution that  
 14      receives a grant under this subpart shall use the grant  
 15      funds to make fellowship awards to minorities and women  
 16      who are enrolled at such institution in a doctoral degree,  
 17      or highest possible degree available, program and—

18           “(1) intend to pursue a career in instruction  
 19      at—

20           “(A) an institution of higher education (as  
 21      the term is defined in section 101);

22           “(B) an institution of higher education (as  
 23      the term is defined in section 102(a)(1));

1           “(C) an institution of higher education  
2           outside the United States (as the term is de-  
3           scribed in section 102(a)(2)); or

4           “(D) a proprietary institution of higher  
5           education (as the term is defined in section  
6           102(b)); and

7           “(2) sign an agreement with the Secretary  
8           agreeing to begin employment at an institution de-  
9           scribed in paragraph (1) not later than 5 years after  
10          receiving the doctoral degree or highest possible de-  
11          gree available, and to be employed by such institu-  
12          tion for 1 year for each year of fellowship assistance  
13          received under this subpart.

14          “(b) FAILURE TO COMPLY.—If an individual who re-  
15          ceives a fellowship award under this subpart fails to com-  
16          ply with the agreement signed pursuant to subsection  
17          (a)(2), then the Secretary shall do 1 or both of the fol-  
18          lowing:

19                 “(1) Require the individual to repay all or the  
20                 applicable portion of the total fellowship amount  
21                 awarded to the individual by converting the balance  
22                 due to a loan at the interest rate applicable to loans  
23                 made under part B of title IV.

24                 “(2) Impose a fine or penalty in an amount to  
25                 be determined by the Secretary.

1 “(c) WAIVER AND MODIFICATION.—

2 “(1) REGULATIONS.—The Secretary shall pro-  
3 mulgate regulations setting forth criteria to be con-  
4 sidered in granting a waiver for the service require-  
5 ment under subsection (a)(2).

6 “(2) CONTENT.—The criteria under paragraph  
7 (1) shall include whether compliance with the service  
8 requirement by the fellowship recipient would be—

9 “(A) inequitable and represent a substan-  
10 tial hardship; or

11 “(B) deemed impossible because the indi-  
12 vidual is permanently and totally disabled at  
13 the time of the waiver request.

14 “(d) AMOUNT OF FELLOWSHIP AWARDS.—Fellow-  
15 ship awards under this subpart shall consist of a stipend  
16 in an amount equal to the level of support provided to  
17 the National Science Foundation graduate fellows, except  
18 that such stipend shall be adjusted as necessary so as not  
19 to exceed the fellow’s tuition and fees or demonstrated  
20 need (as determined by the institution of higher education  
21 where the graduate student is enrolled), whichever is  
22 greater.

23 “(e) ACADEMIC PROGRESS REQUIRED.—An indi-  
24 vidual student shall not be eligible to receive a fellowship  
25 award—

1           “(1) except during periods in which such stu-  
2       dent is enrolled, and such student is maintaining  
3       satisfactory academic progress in, and devoting es-  
4       sentially full time to, study or research in the pur-  
5       suit of the degree for which the fellowship support  
6       was awarded; and

7           “(2) if the student is engaged in gainful em-  
8       ployment, other than part-time employment in teach-  
9       ing, research, or similar activity determined by the  
10      eligible institution to be consistent with and sup-  
11      portive of the student’s progress toward the appro-  
12      priate degree.

13   **“SEC. 735. RULE OF CONSTRUCTION.**

14           “Nothing in this subpart shall be construed to require  
15   an eligible institution that receives a grant under this sub-  
16   part—

17           “(1) to grant a preference or to differentially  
18      treat any applicant for a faculty position as a result  
19      of the institution’s participation in the program  
20      under this subpart; or

21           “(2) to hire a Patsy T. Mink Fellow who com-  
22      pletes this program and seeks employment at such  
23      institution.



1 **“SEC. 736. AUTHORIZATION OF APPROPRIATIONS.**

2 “There is authorized to be appropriated to carry out  
3 this subpart \$25,000,000 for fiscal year 2006 and such  
4 sums as may be necessary for each of the 5 succeeding  
5 fiscal years.”.

6 **SEC. 6. COST OF ATTENDANCE FOR STUDENTS WITH 1 OR**  
7 **MORE DEPENDENTS.**

8 Section 472 of the Higher Education Act of 1965 (20  
9 U.S.C. 1087ll) is amended by striking paragraph (8) and  
10 inserting the following:

11 “(8) for a student with 1 or more dependents—

12 “(A) an allowance based on the estimated  
13 actual expenses incurred for such dependent  
14 care, based on the number and age of such de-  
15 pendents, except that—

16 “(i) such allowance shall not exceed  
17 the reasonable cost in the community in  
18 which such student resides for the kind of  
19 care provided; and

20 “(ii) the period for which dependent  
21 care is required includes class-time, study-  
22 time, field work, internships, and com-  
23 muting time; and

24 “(B) if the student is a graduate student,  
25 an allowance based on the estimated actual liv-  
26 ing expenses incurred for such dependents,

1 based on the number and age of such depend-  
 2 ents, including—

3 “(i) room and board for such depend-  
 4 ents; and

5 “(ii) health insurance for such de-  
 6 pendants;”.

7 **SEC. 7. UNSUBSIDIZED STAFFORD LOAN LIMITS FOR GRAD-**  
 8 **UATE AND PROFESSIONAL STUDENTS.**

9 Section 428H(d)(2)(C) of the Higher Education Act  
 10 of 1965 (20 U.S.C. 1078–8(d)(2)(C)) is amended by strik-  
 11 ing “\$10,000” and inserting “\$12,000”.

12 **SEC. 8. ALLOWANCE OF ROOM, BOARD, AND SPECIAL**  
 13 **NEEDS SERVICES IN THE CASE OF SCHOLAR-**  
 14 **SHIPS AND TUITION REDUCTION PROGRAMS**  
 15 **WITH RESPECT TO HIGHER EDUCATION.**

16 (a) IN GENERAL.—Paragraph (1) of section 117(b)  
 17 of the Internal Revenue Code of 1986 (defining qualified  
 18 scholarship) is amended by inserting before the period at  
 19 the end the following: “or, in the case of enrollment or  
 20 attendance at an eligible educational institution, for quali-  
 21 fied higher education expenses”.

22 (b) DEFINITIONS.—Subsection (b) of section 117 of  
 23 such Code is amended by adding at the end the following  
 24 new paragraph:

1           “(3) QUALIFIED HIGHER EDUCATION EX-  
 2           PENSES; ELIGIBLE EDUCATIONAL INSTITUTION.—  
 3           The terms ‘qualified higher education expenses’ and  
 4           ‘eligible educational institution’ have the meanings  
 5           given such terms in section 529(e).”.

6           (c) TUITION REDUCTION PROGRAMS.—Paragraph  
 7 (5) of section 117(d) of such Code (relating to special  
 8 rules for teaching and research assistants) is amended by  
 9 striking “shall be applied as if it did not contain the  
 10 phrase ‘(below the graduate level)’.” and inserting “shall  
 11 be applied—

12                       “(A) as if it did not contain the phrase  
 13                       ‘(below the graduate level)’, and

14                       “(B) by substituting ‘qualified higher edu-  
 15                       cation expenses’ for ‘tuition’ the second place it  
 16                       appears.”.

17           (d) EFFECTIVE DATE.—The amendments made by  
 18 this section shall apply to expenses paid after December  
 19 31, 2004 (in taxable years ending after such date), for  
 20 education furnished in academic periods beginning after  
 21 such date.

22 **SEC. 9. PROGRAM FUNDING THROUGH TAX-EXEMPT SECU-**  
 23 **RITIES.**

24           (a) SPECIAL ALLOWANCES.—

1           (1) TECHNICAL CORRECTION.—Section 2 of the  
 2           Taxpayer-Teacher Protection Act of 2004 (Public  
 3           Law 108–409; 118 Stat. 2299) is amended in the  
 4           matter preceding paragraph (1) by inserting “of the  
 5           Higher Education Act of 1965” after “Section  
 6           438(b)(2)(B)”.

7           (2) IN GENERAL.—Section 438(b)(2)(B) of the  
 8           Higher Education Act of 1965 (20 U.S.C. 1087–  
 9           1(b)(2)(B)) (as amended by section 2 of the Tax-  
 10          payer-Teacher Protection Act of 2004) is amend-  
 11          ed—

12                   (A) in clause (iv), by striking “1993, or re-  
 13                   funded after September 30, 2004, and before  
 14                   January 1, 2006, the” and inserting “1993, or  
 15                   refunded on or after the date of enactment of  
 16                   the Taxpayer-Teacher Protection Act of 2004,  
 17                   the”; and

18                   (B) by striking clause (v) and inserting the  
 19                   following:

20                           “(v) Notwithstanding clauses (i) and  
 21                           (ii), the quarterly rate of the special allow-  
 22                           ance shall be the rate determined under  
 23                           subparagraph (A), (E), (F), (G), (H), or  
 24                           (I) of this paragraph, or paragraph (4), as  
 25                           the case may be, for loans—

1           “(I) originated, transferred, or  
2           purchased on or after the date of en-  
3           actment of the Taxpayer-Teacher Pro-  
4           tection Act of 2004;

5           “(II) financed by an obligation  
6           that has matured, been retired, or  
7           defeased on or after the date of enact-  
8           ment of the Taxpayer-Teacher Protec-  
9           tion Act of 2004;

10          “(III) which the special allowance  
11          was determined under such subpara-  
12          graphs or paragraph, as the case may  
13          be, on or after the date of enactment  
14          of the Taxpayer-Teacher Protection  
15          Act of 2004;

16          “(IV) for which the maturity  
17          date of the obligation from which  
18          funds were obtained for such loans  
19          was extended on or after the date of  
20          enactment of the Taxpayer-Teacher  
21          Protection Act of 2004; or

22          “(V) sold or transferred to any  
23          other holder on or after the date of  
24          enactment of the Taxpayer-Teacher  
25          Protection Act of 2004.”.

1           (3) RULE OF CONSTRUCTION.—Nothing in the  
2       amendment made by paragraph (2) shall be con-  
3       strued to abrogate a contractual agreement between  
4       the Federal Government and a student loan pro-  
5       vider.

6       (b) AVAILABLE FUNDS FROM REDUCED EXPENDI-  
7       TURES.—Any funds available to the Secretary of Edu-  
8       cation as a result of reduced expenditures under section  
9       438 of the Higher Education Act of 1965 (20 U.S.C.  
10      1087–1) secured by the enactment of subsection (a) shall  
11      be used by the Secretary to carry out the programs and  
12      activities authorized under this Act.

○